

**MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS**

THE STATE OF TEXAS §
COUNTY OF HARRIS §
HARRIS COUNTY UTILITY DISTRICT NO. 15 §

The Board of Directors of Harris County Utility District No. 15 met in regular session, open to the public, at its meeting place inside the boundaries of the District, at 4127 Breckenridge, Houston, Harris County, Texas on July 25, 2017. The roll was called of the members of the Board of Directors, to-wit:

Eric Goodie	President
Leonard Mattox	Vice President
Bridgett D. Kelley	Secretary
Kevin Mosley	Treasurer
Phillip Givens	Assistant Secretary

All members of the Board were present except Director Mosley. Director Mattox entered after the audit report.

Also present were Chris Richardson, attorney, of Strawn & Richardson, P.C.; Yvonne Luevano of Wheeler & Associates, Inc.; Andrew Miller of Municipal Operations & Consulting, Inc.; Darrell Hawthorne of Municipal Accounts & Consulting, L.P.; Robert Atkinson of Edminster Hinshaw Russ & Associate; Ryan Fortner of Sales Revenue, Inc.; Daniel Pereyra of Environmental Allies; Brian Toldan of McCall Gibson Swedlund Barfoot, PLLC; and Kevin Story of Story Architects.

WHEREUPON, the meeting was called to order by the President, and evidence was presented that public notice of the meeting had been given in compliance with the law.

1. **OPENING PRAYER.** Director Goodie led those assembled in prayer.

2. **MINUTES OF MEETINGS.** The Board first considered approving the minutes of the meetings of April 20, 2017, June 27, 2017 and July 11, 2017. It was moved by Director Kelley and seconded by Director Givens that the minutes of the meetings of April 20, 2017, June 27, 2017 and July 11, 2017 be approved, which motion carried unanimously.

3. **PUBLIC COMMENTS.** There were no public comments at this time.

4. **APPROVAL OF ANNUAL AUDIT FOR FISCAL YEAR ENDED MARCH 31, 2017.** Brian Toldan presented to the Board the Annual Audit Report for the fiscal year ended March 31, 2017. He also reviewed the representation letter. Mr. Toldan noted the reimbursement of the General Fund from the Capital Projects Fund for smart meters in the amount of \$249,000. Director Goodie asked if a different auditor is used to produce the audit, per the AWBD seminar suggestion. Mr. Toldan stated they use a different auditor in-house, which allows another set of eyes to prepare the District's audit.

Upon a motion by Director Kelley, seconded by Director Givens and unanimously carried, to approve the Annual Audit Report for the fiscal year ended March 31, 2017, with minor revisions.

5. **STRATEGIC PARTNERSHIP AGREEMENT AUDIT REPORT.** Ryan Fortner, of Sales Revenue, Inc., presented the Strategic Partnership Agreement Audit Report for the Board's review and approval. He informed the Board that sales tax revenue is ahead compared to this time last year.

Following further discussion, it was moved by Director Kelley and seconded by Director Mattox that the Strategic Partnership Agreement Audit Report be approved, which motion carried unanimously.

6. UPDATE ON TRASH SERVICES AND RECYCLING WIDGET. The Board tabled this item.

7. DIRECTOR'S REPORTS. Director Goodie appointed Director Mattox and Director Givens to review the insurance coverage. Director Goodie next appointed Director Kelley to review the Operating Agreement. Director Goodie stated he will review the Legal Fee Agreement.

8. GENERAL MANAGER'S REPORT. Director Givens presented the General Manager's Report. He introduced Kevin Story of Story Architects.

Director Givens presented an estimate from Off Cinco for \$300 to add the Customer Appreciation Barbeque slideshow to the District's website. Following further discussion, it was moved by Director Mattox and seconded by Director Kelley to approve the estimate from Off Cinco.

Director Givens reviewed HB 1701 which includes changes in the Public Funds Investment Act. Following discussion, it was moved by Director Givens and seconded by Director Kelley to appoint Director Mattox as the District's Investment Officer, which motion carried unanimously.

Director Givens informed the Board he met with MDC Professional Services who specializes in conducting customer engagement campaigns. He stated a formal proposal will be presented to the Board for consideration.

Following further discussion, it was moved by Director Mattox, seconded by Director Kelley, and unanimously carried that the General Manager's report be approved.

9. JOINT OPERATIONS REPORT. The Board reviewed the Joint Water Plant report for July. Director Mattox stated the joint operating budget was mailed to the Board members.

The Board next reviewed the Joint Wastewater Treatment Plant report.

10. TAX ASSESSOR/COLLECTOR REPORT. Yvonne Luevano presented the tax report for June, a copy of which is attached as Exhibit "A". The report reflected the District has collected 95.43% of its 2016 taxes and 95.14% of its 2015 taxes as of June 30, 2017.

Following further discussion, it was moved by Director Kelley and seconded by Director Mattox that the tax assessor/collector's report for the month of June be approved, which motion carried unanimously.

11. DELINQUENT TAX REPORT. Ms. Luevano presented the delinquent tax report for the Board's review, a copy of which is attached as Exhibit "B".

Following further discussion, it was moved by Director Mattox and seconded by Director Kelley that the delinquent tax report be approved, which motion carried unanimously.

12. BOOKKEEPER'S REPORT, INVESTMENT REPORT AND PAYMENT OF BILLS. Darrell Hawthorne presented the bookkeeper's report, a copy of which is attached as Exhibit "C".

Following further discussion, a motion was made by Director Kelley and seconded by Director Mattox that the bookkeeper's report be approved, and that the checks listed therein be approved. Said motion carried unanimously.

13. JOINT WATER PLANT BUDGET FOR FISCAL YEAR ENDING MARCH 31, 2018. The Board discussed the joint water plant budget for fiscal year ending March 31, 2018. The Board did not take any action.

14. OPERATOR'S REPORT. Andrew Miller presented the monthly operator's report, a copy of which is attached as Exhibit "D". Mr. Miller reported there are 946 active connections in the District and no new taps. He also reviewed the preventative maintenance program and the call log.

Mr. Miller discussed erosion at the force main on the small detention pond near Antoine Road. He also presented pictures of the brush removal at the detention pond.

Director Givens discussed the interconnect vault, which may no longer be needed. He stated it first will need to be determined if the vault is still there.

Mr. Miller discussed a leak that was noted in the call log. He stated the owner was notified of the leak on their side of the water meter.

Mr. Miller next presented the delinquent list for approval.

Following further discussion, it was moved by Director Mattox, seconded by Director Kelley that the operator's report be approved, and that the delinquent list be approved, which motion carried unanimously.

15. DETENTION POND MAINTENANCE REPORT. Daniel Pereyra presented the Detention Pond Maintenance Report. Director Givens stated the District will maintain the First Industrial Detention Pond because the District agreed to take over the maintenance.

Following further discussion, it was moved by Director Mattox and seconded by Director Kelley that the Detention Pond Maintenance Report be approved, which motion carried unanimously.

16. ENGINEER'S REPORT. Robert Atkinson presented the engineer's report, a copy of which is attached as Exhibit "E".

Mr. Atkinson reported additional information for the Greens Bayou expansion has been provided for Harris County to obtain approval from the City of Houston. He stated plans were received from Harris County for the utility relocation.

Mr. Atkinson informed the Board the water meter vault will be checked to determine if it can be relocated to suit the needs of the District. He explained to utilize the existing meter locations would require at least one additional meter location. He added that the meter would need to be tested before being placed into service.

Mr. Atkinson discussed the hotel project on Veterans Memorial. He reported Harris County is requiring some additional items for the building layout.

Mr. Atkinson informed the Board the environmental wetlands permit is being processed with the U.S. Army Corps of Engineers through Bio West. He stated the U.S. Army Corps of Engineers met with Bio West on the project site and discussed the wetlands locations. He added that some revisions were made and the application is being moved further in the process by the U.S. Army of Corps of Engineers.

Following further discussion, a motion was made by Director Kelley, seconded by Director Mattox, and unanimously carried that the engineer's report be approved.

17. REVIEW OF ENGINEERING AGREEMENT. The Board tabled this item.

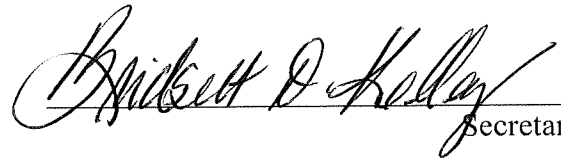
18. FIRST INDUSTRIAL TRACT EASEMENTS AND CONVEYANCES. The Board tabled this item.

19. DISTRICT RECORD RETENTION POLICY. The Board next considered approval of the review of the District's Record Retention Policy. Chris Richardson updated the Board on the Policy.

Following further discussion, it was moved by Director Kelley and seconded by Director Mosley that the review of the District Record Retention Policy be approved, which motion carried unanimously.

20. ADJOURNMENT. There being no further business to come before the Board, it was moved by Director Mattox, seconded by Director Kelley that the Board meeting be adjourned, which motion carried unanimously.

PASSED, ADOPTED and APPROVED this 22nd day of August, 2017.


Secretary

